A High-Impact, Low-Cost Approach to Physician Practice ICD-10 Implementation in 2015

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As the healthcare industry transitions to the ICD-10 coding system in 2015, physician practices will need to have an aggressive action plan in place for meeting the many challenges associated with implementing the new code set.

Many practices began their ICD-10 implementation processes in 2014 only to put those efforts on hold following passage of the Protecting Access to Medicare Act of 2014 (with its inclusion of a minimum one-year delay). Although the ICD-10 compliance date has been delayed several times, not taking action and assuming that the Oct. 1, 2015 date will be moved again may put your organization's revenue at risk.

The following are high-impact, low-cost steps MGMA recommends practices take to move forward with ICD-10:

- **Create an impact chart.** One practical early step is to conduct an impact assessment and create an Excel spreadsheet or Word document that can capture all of the critical information related to impact areas, resolutions, and contingencies. The following are some general topics you may want to include in the spreadsheet:

  o Department, division, or area of the practice impacted and staff person assigned/responsible.
  o Workflow change required. Track if and how your administrative and clinical workflows will be impacted with the change to ICD-10. Also include a resolution to each workflow issue, if possible.
  o Dual code sets. Among the many challenges associated with the move to ICD-10 is the fact that some entities, such as workers compensation plans, are not required to adopt ICD-10. Practices should identify on the spreadsheet or document where ICD-9 codes will need to be captured and how they will be captured.
  o Code assignment responsibility. A key component of your task list will be determining how you currently assign ICD-9 codes and how ICD-10 will impact the assignment of codes.
  o Professional coders. For those practices that leverage the services of professional coders (internally or externally), it is important to ascertain first if the coder (or coders)I a) has plans to be retrained on ICD-10 codes (as some may decide to retire from the business rather than go through the extensive training required); b) the date when they expect to receive their ICD-10 "certification;" c) the date when they expect to be ready to code claims in ICD-10; and d) any additional costs for the practice.
  o Impact of ICD-10 on software. Larger practices are reporting that they utilize multiple software systems that will be impacted by the change to ICD-10. Each practice system will need to be evaluated to determine if it processes diagnosis codes and thus will need to be upgraded or replaced.
  o Vendor information. In addition to impacting practice systems and electronic health record (EHR) software, the move to ICD-10 may require other practice software to be upgraded or replaced. Each one of these software systems should be tracked individually, with the following critical questions asked and answered: Does the software needs to be upgraded (yes/no) or replaced (yes/no)? Will they be upgrading the version of the software that you currently run? Is new hardware required? When will installation occur? Will they support dual codes? When will they provide staff training? Are costs covered under our maintenance agreement? What is the total cost to the practice?

- Staff Training. Most practice staff, both clinical and administrative, will require some level of training for ICD-10. Determine what level of training each will need, as well as the preferred training method.
- Additional staff requirements. As you identify areas in the practice impacted by ICD-10, another key step is identifying whether hiring or reassigning additional staff will be necessary.
- Estimated total cost to practice. Each task on the spreadsheet should have an accurate cost assigned. Once the costs for all the tasks are identified, these need to be compiled and brought to the attention of your budgeting team.
- Contingencies. For many of your spreadsheet categories, you should consider adding a section outlining what contingency plan your practice will employ.
- **Establish trading partner readiness**. Once you have identified those external trading partners that will be impacted by ICD-10, it is critical that you determine their readiness levels. In the case of software vendors, practices will need to know if an upgrade or replacement is necessary, when those processes will take place, and what the cost to the practice will be. Similarly, if you contract with a clearinghouse, talk to them about their readiness level, services they offer, and, if applicable to your practice, what potential "workarounds" they utilize for handling older claim formats such as HIPAA 4010. Finally, identify the health plans that comprise the bulk of your business transactions and contact each to find out about readiness levels and if they have published their revised payment policies.
  - **Improve clinical documentation**. Improving the documentation of each patient encounter can provide a number of benefits for practices, going well beyond simply getting ready for the more specific ICD-10 codes. More complete documentation of the clinical encounter can:

    - Enhance the accuracy of your billing;
    - Support the practice during payment audits;
    - Augment your medical record for patient use; and
    - Improve transitions of care for your patients by giving downstream providers a more complete record.

Remember that coders can only assign codes based off of the information they are provided in the medical record. Should the record not contain the necessary elements (i.e., laterality), coders may not be able to identify the most appropriate and more granular ICD-10 codes. Without clear and complete documentation, claim submissions could be delayed and payments denied.

- **Test, test, and test again!** Practice leaders should take any and every opportunity to test their ability to select the appropriate ICD-10 codes, include the codes on administrative transactions, and successfully submit these codes to a clearinghouse or health plan. Conduct staff exercises in which previously adjudicated claims are "recoded" using ICD-10 to determine if the documentation was sufficient. Similarly, selecting a number of active claims and coding them in both ICD-9 and ICD-10 will also give you a good indication of whether the practice clinicians are capturing sufficient documentation to assign the more specific ICD-10 codes.

  A number of practice management system software vendors, clearinghouses, billing services, and commercial health plans are offering some form of testing. In the Medicare environment, while the Medicare Administrative Contractors (MACs) will only be offering limited end-to-end testing (which includes receipt of the remittance advice), these MACs will be conducting unlimited "front-end" testing that will help determine technical compliance and adherence to performance processing standards.
- **Identify resources**. To assist you in your efforts to implement ICD-10, it will be beneficial to identify cost-effective resources. There are a myriad of resources developed by the Centers for Medicare & Medicaid Services (CMS), some of which appear on the agency's website. This CMS resource center includes videos, webinars, tips for dealing with vendors, private sector resources, and "Road to 10," a CMS-developed resource that discusses the impact of ICD-10

on a number of medical specialties and offers common codes, primers for clinical documentation, clinical scenarios, and additional resources associated with each specialty. In addition, MGMA offers numerous resources for physician practice leaders.

Practices are justifiably concerned about investing significant organizational resources on a mandate that has now been postponed several times. Despite the uncertainty caused by these multiple delays to the compliance date, physician practices have to run on the assumption that the current Oct. 1, 2015 date will stay in effect.

Moving forward with an action plan that includes the steps identified here will help safeguard your organization from the impact of not being ready to submit ICD-10 claims.